

Lavaca-Navidad River Authority

Minutes of October 16, 2024 Board Meeting

A meeting of the Lavaca-Navidad River Authority Board of Directors was held on Wednesday, October 16, 2024 at 7:30 a.m. in the Board Meeting Room of the Lavaca Navidad River Authority Office Complex, 4631 FM 3131, located approximately seven (7) miles east of Edna, Jackson County, Texas off FM 3131 and was also available through video teleconference. Board members present were President Adelman, Vice President Johs, Secretary-Treasurer Storz, and Directors Aimone, Kucera, Mitchell, Steffek, and Taylor. Also present was LNRA Staff: Brzozowski, Gregory, Anders, Hartl, Martin, Stuhrenberg, Terry, Sklar, and Crenshaw. Also present was Bill Dugat of Bickerstaff Heath Delgado Acosta LLP, Mike Reedy, Cody Cockcroft, and Jason Ward of Freese and Nichols, Mike Rivet, Jack Wu, and Amy Blanchett of Formosa Plastics Corporation, Clinton Tegeler of the Ganado Community Development Corporation, and Shelley Srp of the Texana Arts Council. Emily Rogers of Bickerstaff Heath Delgado Acosta LLP joined the meeting via video teleconference.

President Adelman called the meeting to order.

Public Comments

There were no public comments.

General Manager's Report

- Presentation of Community Development Partnership Program (CDPP) Grants:

Ganado Community Development Corporation	Downtown Façade Project	\$50,000.00
Texana Arts Council	Edna Theatre Roof Replacement	\$50,000.00

- Presentation by Formosa Plastics Corporation
- Update on water pipeline leak detection inspection by Xylem
- Overhead Crane for West Delivery System storage building
- General Managers Quarterly Report as of September 30, 2024
- Texas Water Conservation Association Fall Conference – October 23-25, 2024- San Antonio
- Spooktacular Trail and Carnival – Texana Park – October 26, 2024
- Texana Chili Spill – November 7-9, 2024
- Wounded Heroes Hunt – November 5-7, 2024
- Veterans Appreciation Dinner and Program – November 7, 2024

Consent Agenda

President Adelman called for questions or comments to the Consent Agenda items as follows:

1. Consider approval of Board meeting minutes of September 25, 2024 and act as necessary.
2. Consider acceptance of September 2024 financial statements and act as necessary.
3. Consider approval of invoices for payment and act as necessary.
4. Consider approval of proposed budget amendment and act as necessary.

5. Consider approval of LNRA Quarterly Investment Report as of September 30, 2024 and act as necessary.

Gregory briefed the Board on the activity of investments as reported in the Quarterly Investment Report as of September 30, 2024. Texpool earned an average rate of 5.28% while Prosperity Bank earned .30% for the quarter.

The Board was presented with a copy of the quarterly report for their review.

Director Taylor moved to approve the Consent Agenda items 1-5 as presented. Director Steffek seconded the motion. Motion carried.

Regular Agenda

Capital Improvement Fund Expenditure for Stoplog Construction

Brzowski informed the Board that LNRA solicited bids for the construction of two (2) spillway stoplogs, No. 13 and 14. Two (2) bids were received. The Board was presented with a copy of the bid summary indicating vendor and detail costs.

The General Manager recommends accepting the bid from Neumann Welding Inc. for \$117,023.52. Funds are available in the capital improvement fund.

Director Aimone moved to approve the bid from Neumann Welding as recommended by the General Manager and associated capital improvement fund expenditure as presented. Director Storz seconded the motion. Motion carried.

Hach Service Agreement

Brzowski informed the Board that LNRA currently has a Service Agreement with Hach Service for the West Delivery System Mary Rhodes Phase II water quality instrumentation. The Agreement expired on September 30, 2024.

The Board was presented with a copy of the proposed Hach Service Agreement effective October 1, 2024 – September 30, 2025 for \$38,056.00. Funds are available in the West Delivery System Mary Rhodes Phase II operating budget.

Director Johs moved to approve the proposed Hach Service Agreement as presented and associated funding from the WDS Mary Rhodes Phase II operating budget. Director Steffek seconded the motion. Motion carried.

Easement between LNRA and Thunderdome Pipeline LLC

At the May 15, 2024 Board meeting, Brzowski briefed the Board on the easement request by Thunderdome Pipeline LLC crossing LNRA property parallel to Simons Road. The Board had discussed the easement details and approved \$100 per foot for the easement and \$200 per foot of the valve yard that is to be contained within the 30' easement. LNRA engaged legal counsel to draft the easement document.

The Board was presented with a copy of the proposed Oil and Gas Pipeline Easement and Right-of-Way Agreement between LNRA and Thunderdome Pipeline LLC.

Director Storz moved to approve the proposed Oil and Gas Pipeline Easement and Right-of-Way Agreement between LNRA and Thunderdome Pipeline LLC as presented. Director Mitchell seconded the motion. Motion carried.

Fleet Vehicle Purchase

Brzozowski recommended to the Board to purchase three (3) fleet vehicles from the Interlocal Purchasing System (TIPS) as follows:

Two (2) 2023 Ford F-350 Extended Cab \$ 103,242.00 (\$51,621.00 each)
These vehicles will be utilized in the Pipeline Division.

One (1) 2024 Ford F-250 Extended Cab \$ 64,567.50
This vehicle will be utilized in the Instrumentation and Electronics (I&E) Division.

Funds are available in the capital improvement fund.

Director Steffek moved to approve the capital improvement fund expenditure for fleet vehicles through TIPS as presented. Director Kucera seconded the motion. Motion carried.

Freese and Nichols Work Order for Procurement Assistance

Brzozowski informed the Board that funds were budgeted in the West Delivery System Budget to purchase a spare 800 hp and a 1250 hp motor for the low-head and high-head pumping units. Also, plans are to purchase the associated pump columns and shafting for both pumping units, and an impeller section for the low-head pump. Both electric motors will be wound to accommodate use with a VFD.

Brzozowski recommends engaging Freese and Nichols (FNI) to assist LNRA in developing equipment specification and bidding documents. FNI will also assist in the review of equipment submittals, once the equipment is bid and a supplier is chosen.

The Board was presented with a copy of the proposed FNI work order for an amount not to exceed \$30,000 for their review.

Director Mitchell moved to approve FNI work order for an amount not to exceed \$30,000 to assist with the procurement of spare pumps and motors for the West Delivery System Intake Pump Station as presented. Director Kucera seconded the motion. Motion carried.

Briefing on Dam Safety Remediation Project

Brzozowski and Cody Cockcroft (Freese and Nichols) briefed the Board on the updates to the Dam Safety Remediation Project.

Based on the final alignment, FNI and LNRA are working with TxDOT on a plan to temporarily shut down FM3131 to conduct the Phase II geotechnical investigation/sampling atop the dam. Road closure is planned to begin November 5th and reopen in mid-December.

Plans are to bid the cutoff wall in February/March and anticipate the work to begin in April/May.

Once the contractors are onsite, FM3131 will be closed, and all traffic detoured from the start of construction and extending until the engineers confirm the ability of the highway to be safely reconstructed without damage from settlement or subsidence of the underlying cutoff wall. It has been suggested this “consolidation” period may take from 6-12 months from placement of the cutoff wall.

Briefing on East Delivery System Pipeline Relocation Project

The Board was presented with a copy of the Freese and Nichols Status Report as of September 30, 2024.

Brzozowski and Jason Ward (Freese and Nichols) briefed the Board as follows:

- McKee is performing final clean-up of the existing and newly acquired ROW in preparation of the final walk-through.
- D-Bar Construction is wrapping up the electrical services to include installing new service connections, wiring vaults, and re-routing existing power.
- LNRA and FNI are preparing a discussion to address liquidated damages in anticipation that the contractor will be 75 days behind the schedule completion date.

Briefing on Lake Texana Yield Enhancement Project

The Board was presented with a copy of Freese and Nichols Status Report as of September 30, 2024.

FNI is working on the “LTYEP Conceptual Mitigation Plan”.

The Board meeting adjourned at 9:45 a.m.

Jerry L. Adelman
President

Jennifer Storz
Secretary-Treasurer